

**DRAFT****GOED Board Meeting Minutes**

June 9, 2016 • 10:00 a.m.

Governor's Office of Economic Development  
60 E South Temple, Suite 300 Salt Lake City, UT 84111

<b>Members Present:</b>	Mel Lavitt, Jerry Oldroyd, Peter Mouskondis, Stefanie Bevans, Bevan Wilson, Margaret Lasecke-Jacobs, Annette Meier, Bob Frankenburg, Christopher M. Conabee, Brent Brown, Sam Granato,
<b>Members Excused:</b>	Lorena Rizzo, Jenson, Sue Johnson, Josh Romney, Jake Boyer
<b>Staff:</b>	Val Hale, Theresa Foxley, Thomas Wadsworth, Jill Flygare, Benjamin Hart, Vicki Varela, Virginia Pearce, Julia Barnhouse, Clark Cahoon, Kimberlee Carlile, Chase Christiansen, Tara McKee, Aimee Edwards, Sara Adleman, Missy Warner, Jeff Van Hulten, Vatsala Kaul, Mimi Davis, Derek Mellus
<b>Visitors:</b>	Jeff Edwards, Erin Laney, Brice Wallace, Susan Eisenman, Steve Styler, Marshall Moore, Erik Snyder, Amy Coughlin, Tom Stringham, Mayor Jack Thomas, Andy Beerman

**Welcome**

Mel Lavitt welcomed everyone to the June 9, 2016 GOED Board meeting.

**Approval of the Minutes**

**MOTION: Bob Frankenburg motioned to approve the May 12, 2016 minutes. Annette Meier seconded the motion. Motion was carried unanimously.**

**Presentation – Frank Pignanelli, Utah Association of Financial Services**

Frank Pignanelli, Executive Director of the National Association of Industrial Bankers and the Utah Association of Financial Services, thanked the Chairman for inviting him to present to the board. Frank Pignanelli began by thanking the GOED Board on behalf of thousands of Utahans' for their vision and courage. Ten years ago, the industrial banks in Utah created a strong financial services sector but began to face challenges once Wal Mart made an application for an industrial bank, which resulted in different forces trying to close the industrial banks in Utah. To address this threat a request was submitted and approved by the GOED Board to fund a third party study on the industrial banks of Utah and analyze their contributions to Utah and the country. GOED was criticized by the media because of this study. The study was conducted and was so successful that the GAO (U.S. Government Accountability Office) used it as an example of what a study should look like.

The study shut down negative attacks on the industrial banks because of the existing research. This study also established Utah as the center of financial services for the country. Utah is currently the 4<sup>th</sup> largest in country as far as assets.

Frank then addressed what he believes is the future of industrial banks. The Lassonde Institute at the University of Utah was asked to provide additional information to update the study. The Lassonde Institute recommended the establishment of an academic institution that taught about state-chartered institutions. This recommendation was received and a new center of financial services was funded with fees generated by the industrial banks which would not have been available without the study. The Lassonde Center has become the main focus in the country in the financial services sector.

The study has generated more interest for Utah and is allowing for future growth. Frank believes that Utah should focus on attracting companies that want to conduct financial services in the State and feels that GOED and EDCUtah are great partners to facilitate this kind of growth in the fintech sector. Frank then concluded by thanking the GOED Board, GOED Staff, and EDCUtah on behalf of industrial banks and all of those who customers who received financial services.

**Presentation – Tom Stringham, University Growth Fund**

Tom Stringham thanked the GOED Board for their time and introduced one of his students, Alex Yost. The University Growth Fund is a successor fund of the University Venture Fund, which started as a pilot program started by students wanting to gain knowledge and experience in investing. Local leaders recognized the potential of the program, helped raise an investment fund, and assisted students in investing. The program was able to raise \$20 Million to invest in companies.

The University Growth Fund's (UGF) main focus is to provide a great education opportunity to get real-world experience in venture capital as they evaluate investments and work alongside seasoned investment professionals. UGF is an innovative CRA investment opportunity for banks that helps provide jobs to low-to-moderate income populations and a unique financial education to local students. UGF continues the proven strategy of being an opportunistic education-based PE fund that co-invests alongside top VC and PE firms.

The program also has a great trajectory for students who complete the program. UGF has 100% placement for over 300 student participants for 8+ years. These students are projected to make 55% more than their peers at graduation and 30% more after just 7 years of experience. Students from UVF, BYU, U of U, and Westminster all apply to participate in the UGF.

UGF has a strong investment performance with previous investments in companies such as Health Catalyst, Workfront, and Simple Citizen. They have also invested in Lyft, Spotify, and SnapChat.

**Economic Opportunity Grant****Project – SIA****Project Highlights**

Year: 2016

Jobs: 30

County: Summit

Average Wage: \$93,000

Cluster: Outdoor Recreation

Capital Investment: \$750,000

**Description of Project**

SnowSports Industries America (SIA) is a non-profit, North American member-owned trade association representing suppliers of consumer snow sports with constituents in the retailer, rep and resort communities.

SIA is looking to relocate its headquarters to Utah. This would mean relocating current employees and hiring up to 25 new employees for full time skilled mid and low level management jobs with full benefits. A total of \$2,475,000 is projected to be spent on wages (\$93,000 is the projected average wage) and \$1.8MM on the move (including the purchase of a new headquarters space).

SIA is a well-respected nonprofit that has a 60 year history. Established in 1954, SIA annually produces the SIA Snow Show and On-Snow Demo, the largest snow sports industry trade show and networking environment globally, while delivering invaluable data/research, support, marketing products, government affairs representation, services and programs. In addition to the possibility of bringing the snow show and on snow demo to Utah, SIA provides high level jobs that are well compensated, including benefits. Further, given the numerous snow sport companies and organizations that are located in Utah, SIA will help solidify Utah at the winter sport capital for business in North America.

**Competition**

SIA has received a \$445,000 (\$145k for jobs and \$300k for marketing) incentive offer from Denver, CO.

SIA has also been in negotiations with Reno, NV about possible relocation incentives.

**Additional Opportunities**

Other opportunities may exist for a TMPF partnership, Custom Fit training, expedited permitting from Park City, partnerships with higher education institutions, and other intangible benefits realized from this relocation.

**MOTION:** Jerry Oldroyd motioned to approve an Economic Opportunity Grant for SnowSports Industries America of up to \$100,000 from the Industrial Assistance Fund. This grant is designed to be distributed over a 3

year period with \$3,500 being granted per incremental new job, per year. The aggregate average wages of the new incremental jobs must pay at least 150% of the Summit County average wage.

Erik Snyder, CEO of Armada Skis and Board Member for SIA, thanked all involved for making this a reality. There is a reason that companies like Armada Skis is in Utah because of the greatest snow on earth and its strong outdoor cluster. This is a great move for the State and for all of the outdoor companies located here.

#### **EDTIF Project – Press Ganey**

##### **Project Highlights**

Timeline:	2016
Target Industry:	Other
Proposed Location(s):	Utah County
Capital Investment:	\$11,000,000

##### **Company Overview**

Press Ganey Associates, Inc. offers census-based surveying that captures feedback and offers surveying in the areas of inpatient, hospitalist, pediatric, outpatient, emergency department, and specialty areas; patient-reported outcome measures to improve the process of care by capturing the patient perspective of health outcomes; and regulatory surveys.

##### **Jobs & Revenue**

The company will provide 97 full time employees with comprehensive health and retirement benefits.

##### **New State Wages & Revenue:**

New State Wages over 5 years:	\$15,359,375
New State Revenue over 5 years:	\$2,981,166

##### **Incentives Committee Recommendation**

Total amount of EDTIF, post-performance refundable tax credit:	<b>\$447,175</b>
The amount represents the following percentage of new state revenues:	<b>15%</b>
Number of years that incentive is approved for:	<b>5 years</b>

##### **Local Incentive**

Provo City is offering the company a local incentive.

**MOTION: Jerry Oldroyd motioned to approve Press Ganey for a \$447,175 EDTIF post-performance refundable tax credit which represents an amount equal to 15% of new state revenue for 5 years. Brent Brown seconded the motion. The motion carried unanimously.**

- Total EDTIF incentive not to exceed \$447,175 EDTIF post-performance refundable tax credit.
- Annual EDTIF incentive amount based on 15% of qualified new incremental state tax revenues generated and receipted in the previous calendar year.
- Total incentive not to exceed 15% & of qualified new incremental state tax revenues over 5 years with a contractual recapture provision for any excess funds paid to the company.
- Must meet new qualified employment projections, employee headcount at the stated wage % criteria at 50% for each project year.
- Annual total project average salary of new employees (not each new position, this is an aggregate annual number) to be at least 110% of the average wage each excluding company contributed health insurance.
- Must commit to keep operation in Utah for the length of the incentive period, 5 years.
- Incentives are site specific and subject to local incentive participation.
- Local incentive proposal must be presented and approved by the GOED Incentives Committee in order for company to be eligible for the incentive.
- Only new state revenue and new jobs created after the GOED Board final approval date are eligible for this incentive.

Amy Coughlin, Senior VP of Operations for Press Ganey, thanked the Board, GOED Staff, and EDCUtah for their assistance with this project. Press Ganey is excited for the opportunity and looking forward to growing in Utah.

**Film Incentives****Film – “Deidra and Laney Rob a Train”****Project Highlights**

- Category: Independent Feature
- Genre: Comedy
- Director: Sydney Freeland
- Producer: Nick Mocerri, Susan Cartsonis

**Utah Jobs and Revenue**

- Estimated Cast: 15
- Estimated Cast Average Salary: \$866
- Estimated Crew: 82
- Estimated Crew Average Salary: \$225
- Estimated Extras: 236
- Estimated Extras Average Salary: \$209
- Length of Film Production: 25
- Estimated Spend: \$1,816,983

**Project Schedule**

- Prep: June 6, 2016 through July 1, 2016
- Principal Photography: July 6, 2016 through August 5, 2016
- Wrap: August 8, 2016 through August 19, 2016
- Post Production: August 15, 2016 through November 4, 2016

**Motion Picture Advisory Committee Recommendation**

Approved by the Motion Picture Advisory Committee (MPAC) June 2, 2016

**MOTION: Christopher M. Conabee motioned to approve for Marigold Pictures, INC a Motion Picture Incentive Program post-performance tax credit of no more than \$363,396 (which represents 20% of dollars left in state) or no more than \$454,246 if additional criteria are satisfied (which represents 25% of the dollars left in state) for the production of “Deidra and Laney Rob a Train”. Annette Meier seconded the motion. The motion carried unanimously.**

- Incentive offer based on receipt of a complete MPIP application including a script and proof of financing
- Must meet \$200,000 minimum dollars left in state to be eligible for the base line incentive of 20% of dollars left in state.
- Dollars left in state start date no earlier than 30 days prior to the Governor’s Office of Economic Development Board of Directors approval.
- Incentive is conditioned upon the availability of tax credit allocation and/or cash appropriations granted to the Utah Film Commission beginning FY 2017.
- Marigold Pictures, INC may be eligible for an additional 5% incentive upon verification of meeting the criteria as adopted by the GOED Board and administered by the Governor’s Office of Economic Development and the Utah Film Commission, including a \$1,000,000 minimum dollars left in state. At least 85% of the production’s cast/crew must be Utah residents and/or Utah students. Total incentive with this condition, if all terms are met to the satisfaction of the Utah Film Commission, shall not exceed \$454,246 (25% of the dollars left in state).

Virginia Pearce introduced the Director, Sydney Freeland, and Producer, Nick Mocerri. Sydney provided a brief summary of the film and is looking forward to filming in Utah. Nick Mocerri is very impressed with the Film Commission and is looking forward to filming and for bringing a Netflix film to the State.

**Film – “ZB Pioneer Film”****Project Highlights**

- Category: Independent Feature
- Genre: Western

- Director: David Zellner
- Producer: Nathan Zellner, Chris Ohlson

**Utah Jobs and Revenue**

- Estimated Cast: 5
- Estimated Cast Average Salary: \$906
- Estimated Crew: 27
- Estimated Crew Average Salary: \$300
- Estimated Extras: 70
- Estimated Extras Average Salary: \$152
- Length of Film Production: 32
- Estimated Spend: \$1,348,405

**Project Schedule**

- Prep: June 1, 2016 through July 8, 2016
- Principal Photography: July 11, 2016 through August 19, 2016
- Wrap: August 22, 2016 through September 2, 2016
- Post Production: September 5, 2016 through January 15, 2017

**Motion Picture Advisory Committee Recommendation**

Approved by the Motion Picture Advisory Committee (MPAC) June 2, 2016

**MOTION: Bevan Wilson motioned to approve for Damsel Production, INC a Motion Picture Incentive Program post-performance tax credit of no more than \$269,681 (which represents 20% of dollars left in state) or no more than \$337,101 if additional criteria are satisfied (which represents 25% of the dollars left in state) for the production of “ZB Pioneer Film”. Margaret Lasecke-Jacobs seconded the motion. The motion carried unanimously.**

- Incentive offer based on receipt of a complete MPIP application including a script and proof of financing
- Must meet \$200,000 minimum dollars left in state to be eligible for the base line incentive of 20% of dollars left in state.
- Dollars left in state start date no earlier than 30 days prior to the Governor’s Office of Economic Development Board of Directors approval.
- Incentive is conditioned upon the availability of tax credit allocation and/or cash appropriations granted to the Utah Film Commission beginning FY 2017.
- Damsel Production, INC may be eligible for an additional 5% incentive upon verification of meeting the criteria as adopted by the GOED Board and administered by the Governor’s Office of Economic Development and the Utah Film Commission, including a \$1,000,000 minimum dollars left in state. At least 85% of the production’s cast/crew must be Utah residents and/or Utah students. Total incentive with this condition, if all terms are met to the satisfaction of the Utah Film Commission, shall not exceed \$337,101 (25% of the dollars left in state).

**Film – “Brigsby Bear”**

**Project Highlights**

- Category: Independent Feature
- Genre: Comedy
- Director: Dave McCary
- Producer: Billy Rosenberg, Will Allegra, Jennifer Dana and Matthew Medlin

**Utah Jobs and Revenue**

- Estimated Cast: 20
- Estimated Cast Average Salary: \$1,200
- Estimated Crew: 65
- Estimated Crew Average Salary: \$300
- Estimated Extras: 200

- Estimated Extras Average Salary: \$175
- Length of Film Production: 27
- Estimated Spend: \$2,500,000

#### Project Schedule

- Prep: May 31, 2016 through July 12, 2016
- Principal Photography: July 13, 2016 through August 19, 2016
- Wrap: August 22, 2016 through September 1, 2016
- Post Production: August 22, 2016 through December 10, 2016

#### Motion Picture Advisory Committee Recommendation

Approved by the Motion Picture Advisory Committee (MPAC) June 2, 2016

**MOTION: Stefanie Bevans motioned to approve for Brigsby Bear, LLC a Motion Picture Incentive Program post-performance tax credit of no more than \$500,000 (which represents 20% of dollars left in state) or no more than \$625,000 if additional criteria are satisfied (which represents 25% of the dollars left in state) for the production of “Brigsby Bear”. Sam Granato seconded the motion. The motion carried unanimously.**

- Incentive offer based on receipt of a complete MPIP application including a script and proof of financing
- Must meet \$200,000 minimum dollars left in state to be eligible for the base line incentive of 20% of dollars left in state.
- Dollars left in state start date no earlier than 30 days prior to the Governor’s Office of Economic Development Board of Directors approval.
- Incentive is conditioned upon the availability of tax credit allocation and/or cash appropriations granted to the Utah Film Commission beginning FY 2017.
- Brigsby Bear, LLC may be eligible for an additional 5% incentive upon verification of meeting the criteria as adopted by the GOED Board and administered by the Governor’s Office of Economic Development and the Utah Film Commission, including a \$1,000,000 minimum dollars left in state. At least 85% of the production’s cast/crew must be Utah residents and/or Utah students. Total incentive with this condition, if all terms are met to the satisfaction of the Utah Film Commission, shall not exceed \$625,000 (25% of the dollars left in state).

#### Film- “A Few Minor Distractions”

##### Project Highlights

- Category: Independent Feature
- Genre: Family
- Director: Autumn McAlpin
- Producer: Parisa Caviani, John Kelly, Autumn McAlpin

#### Utah Jobs and Revenue

- Estimated Cast: 30
- Estimated Cast Average Salary: \$800
- Estimated Crew: 110
- Estimated Crew Average Salary: \$250
- Estimated Extras: 300
- Estimated Extras Average Salary: \$75
- Length of Film Production: 33
- Estimated Spend: \$3,150,000

#### Project Schedule

- Prep: June 20, 2016 through July 17, 2016
- Principal Photography: July 18, 2016 through September 2, 2016
- Wrap: September 3, 2016 through October 15, 2016
- Post Production: October 16, 2016 through May 1, 2017

**Motion Picture Advisory Committee Recommendation**

Approved by the Motion Picture Advisory Committee (MPAC) June 2, 2016

**MOTION:** Bob Frankenburg motioned to approve for AFMD Movie, LLC a Motion Picture Incentive Program post-performance tax credit of no more than \$630,000 (which represents 20% of dollars left in state) or no more than \$787,500 if additional criteria are satisfied (which represents 25% of the dollars left in state) for the production of “A Few Minor Distractions”. Margaret Lasecke-Jacobs seconded the motion. The motion carried unanimously.

- Incentive offer based on receipt of a complete MPIP application including a script and proof of financing
- Must meet \$200,000 minimum dollars left in state to be eligible for the base line incentive of 20% of dollars left in state.
- Dollars left in state start date no earlier than 30 days prior to the Governor’s Office of Economic Development Board of Directors approval.
- Incentive is conditioned upon the availability of tax credit allocation and/or cash appropriations granted to the Utah Film Commission beginning FY 2017.
- AFMD Movie, LLC may be eligible for an additional 5% incentive upon verification of meeting the criteria as adopted by the GOED Board and administered by the Governor’s Office of Economic Development and the Utah Film Commission, including a \$1,000,000 minimum dollars left in state. At least 85% of the production’s cast/crew must be Utah residents and/or Utah students. Total incentive with this condition, if all terms are met to the satisfaction of the Utah Film Commission, shall not exceed \$787,500 (25% of the dollars left in state).

**Film – “Valley of the Gods”****Project Highlights**

- |             |                                  |
|-------------|----------------------------------|
| • Category: | Independent Feature              |
| • Genre:    | Drama                            |
| • Director: | Lech Majewski                    |
| • Producer  | Filip Jan Rymysza, Lech Majewski |

**Utah Jobs and Revenue**

- |                                    |             |
|------------------------------------|-------------|
| • Estimated Cast:                  | 5           |
| • Estimated Cast Average Salary:   | \$905       |
| • Estimated Crew:                  | 60          |
| • Estimated Crew Average Salary:   | \$351       |
| • Estimated Extras:                | 105         |
| • Estimated Extras Average Salary: | \$133       |
| • Length of Film Production:       | 22          |
| • Estimated Spend:                 | \$1,284,038 |

**Project Schedule**

- |                          |   |
|--------------------------|---|
| • Prep:                  | May 23, 2016 through June 10, 2016      |
| • Principal Photography: | June 11, 2016 through July 3, 2016      |
| • Wrap:                  | July 5, 2016 through July 19, 2016      |
| • Post Production:       | July 5, 2016 through September 30, 2016 |

**Motion Picture Advisory Committee Recommendation**

Approved by the Motion Picture Advisory Committee (MPAC) June 2, 2016

**MOTION:** Peter Mouskondis motioned to approve for Valley of the Gods, INC a Motion Picture Incentive Program post-performance tax credit of no more than \$256,807 (which represents 20% of dollars left in state) or no more than \$321,009 if additional criteria are satisfied (which represents 25% of the dollars left in state)

for the production of “Valley of the Gods”. Stefanie Bevans seconded the motion. The motion carried unanimously.

- Incentive offer based on receipt of a complete MPIP application including a script and proof of financing
- Must meet \$200,000 minimum dollars left in state to be eligible for the base line incentive of 20% of dollars left in state.
- Dollars left in state start date no earlier than 30 days prior to the Governor’s Office of Economic Development Board of Directors approval.
- Incentive is conditioned upon the availability of tax credit allocation and/or cash appropriations granted to the Utah Film Commission beginning FY 2017.
- Valley of the Gods, INC may be eligible for an additional 5% incentive upon verification of meeting the criteria as adopted by the GOED Board and administered by the Governor’s Office of Economic Development and the Utah Film Commission, including a \$1,000,000 minimum dollars left in state. At least 85% of the production’s cast/crew must be Utah residents and/or Utah students. Total incentive with this condition, if all terms are met to the satisfaction of the Utah Film Commission, shall not exceed \$321,009 (25% of the dollars left in state).

#### Film – “Drop Off”

##### Project Highlights

- |             |                              |
|-------------|------------------------------|
| • Category: | Independent Feature          |
| • Genre:    | Family                       |
| • Director: | Lyman Dayton                 |
| • Producer: | Lyman Dayton, Shelley Monson |

##### Utah Jobs and Revenue

- |                                    |           |
|------------------------------------|-----------|
| • Estimated Cast:                  | 38        |
| • Estimated Cast Average Salary:   | \$150/day |
| • Estimated Crew:                  | 21        |
| • Estimated Crew Average Salary:   | \$150/day |
| • Estimated Extras:                | 200       |
| • Estimated Extras Average Salary: | \$50/day  |
| • Length of Film Production:       | 21        |
| • Estimated Spend:                 | \$215,000 |

##### Project Schedule

- |                          |   |
|--------------------------|---|
| • Prep:                  | February 15, 2016 through June 11, 2016 |
| • Principal Photography: | June 13, 2016 through July 2, 2016      |
| • Wrap:                  | July 5, 2016 through July 9, 2016       |
| • Post Production:       | July 9, 2016 through September 9, 2016  |

##### Motion Picture Advisory Committee Recommendation

Approved by the Utah Film Commission (UFC) June 2, 2016

**MOTION: Stefanie Bevans motioned to approve for Doty Dayton Films, LLC a Motion Picture Incentive Program post-performance cash credit up to \$43,000 (which represents 20% of dollars left in state) for the production of “Drop Off”. Annette Meier seconded the motion. The motion carried unanimously.**

- Incentive offer based on receipt of a complete MPIP application including a script and proof of financing
- Must meet \$200,000 minimum dollars left in state to be eligible for the incentive.
- Dollars left in state start date no earlier than 30 days prior to the Governor’s Office of Economic Development Board of Directors approval.
- Incentive is conditioned upon the availability of cash credit allocation and/or cash appropriations granted to the Utah Film Commission beginning FY 2017.

##### Rural Fast Track Endorsements

The Rural Development office recommends a Rural Fast Track grant for EV & JW Hall Dairy, LLC, located in Lewiston, Cache County, for the purpose of purchasing and implementing automated systems to their dairy process, including a robotic calf feeding system and a robotic milking system. The company expects to create one (1) new full



time position paying at least 110% of the Cache county average wage. The project is estimated to cost one hundred seventy-eight thousand, five hundred and thirty-one dollars (\$178,531).

**MOTION: Bevan Wilson motioned to endorse a Rural Fast Track Grant for EV & JW Hall Dairy, LLC of \$50,000. Sam Granato seconded the motion. The motion carried unanimously.**

#### **GOED Update**

Val Hale, Executive Director, provided an overview of current events within the departments of GOED.

#### **Incentives Update**

Theresa A. Foxley, Deputy Director, provided an update on the Incentives Program regarding new and existing projects.

#### **EDCUtah Update**

Erin Laney, Interim COO, presented on the status of current and upcoming projects in the pipeline.

#### **Meeting Adjourned**